

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6824

BILL NUMBER: HB 1127

DATE PREPARED: Dec 18, 2001

BILL AMENDED:

SUBJECT: Gas Price Gouging.

FISCAL ANALYST: John Parkey

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill permits the Attorney General to investigate and take action against sellers of fuel, including gasoline, diesel fuel, heating fuel, and natural gas, who are engaged in price gouging in emergency situations.

Effective Date: Upon passage.

Explanation of State Expenditures: This bill could increase the administrative burden of the Attorney General's Office in so far as it would allow the Office more authority to investigate and bring civil actions against alleged fuel price gougers during an emergency event. Any impact of this provision on the Attorney General's Office is expected to be absorbed using existing staff and resources.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur, revenue to the state General Fund may increase if court fees are collected. The bill authorizes the court to assess a civil penalty of up to \$1,000 per incident of price gouging. Civil penalties would be deposited in the state General Fund.

Court Fee Revenue: If court actions are filed and a judgment is entered, a court fee of \$100 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Court Fee Revenue:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$100 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited

in the county general fund and 25% would be deposited in the city or town general fund.

State Agencies Affected: Attorney General's Office.

Local Agencies Affected: Circuit and Superior Courts; local law enforcement agencies.

Information Sources: